

HEA 1004 - County Selection
Frequently Asked Questions
June 12, 2014 Webinar

The contents of this F.A.Q. are not intended as legal advice. They convey general information about FSSA's interpretation and implementation of the requirements of HEA 1004, which are subject to change at any time. Persons seeking legal advice or information are encouraged to consult legal counsel.

I. PreK Pilot Program Details

1) How long will the PreK Pilot Program last?

HEA 1004 provides that the total amount of grants awarded under the Pilot Program may not exceed \$10 million. In addition, at least 10% but not more than 50% of the tuition for the PreK Pilot Program during the state fiscal year must come from “donations, gifts, grants, bequests, and other funds received from a private entity or person, from the United States government, or from other sources.” Assuming the minimum required match of 10% is raised, a total of \$11 million may be expended on grants over the life of the Program. The maximum that may be expended would be \$15 million over the life of the program (assuming that the 50% match cap is met).

Thus, how long the Pilot Program lasts depends on a number of factors, including the amount of matching funds raised, the number of eligible children who apply to the program each year and the capacity of eligible providers. At this time, there is no provision in the statute or in the budget for recurring funding for the Program.

2) Will the county selection process happen annually?

No. Under the requirements of HEA 1004, the Pilot Program is limited to five counties.

II. Provider Eligibility

1) What is an eligible provider?

A provider of early education services must meet the following requirements in order to be considered “eligible” in the Pilot Program under HEA 1004. The provider must:

a. be:

- (1) A public school, including a charter school, that is Paths to QUALITY 3 or 4.
- (2) A child care center that is licensed under IC 12-17.2-4 and is Paths to QUALITY 3 or 4.
- (3) A child care home that is licensed under IC 12-17.2-5 and is Paths to QUALITY 3 or 4.
- (4) A child care ministry that is registered under IC 12-17.2-6 and is Paths to QUALITY 3 or 4.
- (5) A nonpublic school that is accredited by the state board of education or a national or regional accreditation agency that is recognized by the state board of education.

b. provide “qualified early education services,” which means that they must:

- (1) include a parental engagement and involvement component;
- (2) administer the kindergarten readiness assessment; and
- (3) meet the design parameters for inclusion in the longitudinal study; and

c. be located within one of the five pilot counties.

2) Do providers need to do anything more than meet the requisite Paths to QUALITY level to be eligible?

Providers must meet all of the eligibility requirements in the statute, including the requirement that they include a parental engagement and involvement component and administer the kindergarten readiness assessment. Providers must also comply with any other administrative and reporting requirements designated by FSSA as part of the program design.

3) Do public schools automatically qualify? Or do they have to be Level 3 or Level 4 Paths to QUALITY?

Public schools, including charter schools, must be level 3 or 4 on Paths to QUALITY in order to be considered an “eligible provider” for purposes of the Pilot Program. For example, a public school that currently offers PreK services using Title I dollars would not be automatically eligible to participate in the Pilot Program unless they are also rated a level 3 or 4 on Paths to QUALITY.

4) If a new public school program is established and is on track to reach level 3 Paths to QUALITY, will they be an eligible provider?

All public schools must be at level 3 or 4 on Paths to QUALITY at the time they are providing services to an eligible child in order to be considered eligible.

5) Will school systems have to meet minimum standards to be eligible? Does a school system count as one provider or is each school a provider?

Each public school would be considered a separate provider and must individually meet the eligibility requirements individually. There is no mechanism in HEA 1004 to qualify an entire school system as an eligible provider.

6) Who will determine if a school meets level 3 or 4 Paths to QUALITY?

FSSA will maintain a list of all providers that are considered eligible for the Pilot Program based on an application process. More information about the process will be released in the next few months.

For more information on enrolling in Paths to QUALITY and earning a Level 3 or Level 4 rating you may visit <http://www.in.gov/fssa/carefinder/2554.htm> or call IACCRR at 1-800-299-1627.

7) *Can Head Start providers participate in the Pilot Program?*

Any provider that otherwise meets the requirements may participate in the PreK Pilot including providers that are currently participating in Head Start or CCDF.

8) *How does a provider become eligible?*

Community based programs including licensed homes, licensed centers and registered ministries can obtain additional information on enrolling in and obtaining a level 3 or level 4 rating on Paths to QUALITY by contacting IACCRR at 1-800-299-1627.

Schools can also obtain more information about Paths to QUALITY by visiting <http://www.in.gov/fssa/carefinder/2554.htm> or by calling IACCRR at 1-800-299-1627 for more information on enrollment and ratings. FSSA and the Indiana Department of Education are working to provide additional information for public schools on this process.

III. Child Eligibility

1) *Who is an eligible child?*

In order to be eligible to participate in the PreK pilot program, a child must:

- a. be at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a grant is sought under the PreK Pilot Program;
- b. be a resident of Indiana or otherwise has legal settlement in Indiana, as determined under IC 20-26-11;
- c. be a member of a household with an annual income that does not exceed one hundred twenty-seven percent (127%) of the federal poverty level;
- d. have a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider; and
- e. have a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office.

2) *Do families have to be legal residents to be eligible to receive funding?*

Yes. See (b) above.

3) *How is financial eligibility determined?*

FSSA is tasked with administering the program. Therefore, FSSA will determine financial eligibility based on documentation provided by a family during the application process. Families must demonstrate that they meet the eligibility criteria established by HEA1004, including documenting legal Indiana residency and that the family's gross countable earned and unearned income falls at or below 127% of the current Federal Poverty Level (FPL) for their family size. See section 3, number 1 above for additional details on child eligibility.

IV. Financial Match/Funding

1) How is the Pilot Program Funded?

Funding for the Pilot Program comes from two sources as designated by the state budget agency: i) available funding from the Child Care and Development Fund (CCDF); and ii) amounts reverted from FSSA. The total funding for the PreK Pilot Program from these sources cannot exceed \$10 million in any state fiscal year. In addition, at least 10%, but not more than 50% of the tuition for the PreK Pilot Program during the state fiscal year must come from “donations, gifts, grants, bequests, and other funds received from a private entity or person, from the United States government, or from other sources.”

Assuming the minimum required match of 10% is raised, a total of \$11 million may be expended on grants over the life of the Pilot Program. The maximum that could be expended for the Pilot Program is \$15 million (assuming that the 50% match cap is met). Thus, the maximum amount that may be expended each state fiscal year is limited only by the amount of matching funding raised and the total amount of funding.

2) How will the funds be allocated among the counties?

Matching funds will be pooled with the state appropriation and allocated among the counties based on need, the number of applications and any funding restrictions on matching funds. Additional information on county allocation will be available after the pilot counties are selected and matching funds have been identified.

3) Is the match commitment for one year? Or longer?

Because the maximum amount of funding for the Pilot Program is fixed in statute, the only thing that matters is the total amount of matching funds raised. The match dictates the maximum amount that may be expended each state fiscal year (at least 10% of the tuition must come from matching dollars) as well as the total amount of funding which may be expended over the life of the Pilot Program.

4) Will there be any funds in this grant for administrative costs/overhead for the applicant agency?

The Pilot Program provides grants directly to eligible families. There is no provision within HEA 1004 to cover administrative costs or overhead for individual providers or programs or agencies or organizations submitting a Statement of County Readiness on behalf of their county.

Early Learning Programs seeking to establish eligibility by earning a Level 3 or Level 4 rating on Paths to QUALITY have access to available resources including scholarship assistance for teachers, free on-site coaching, free or reduced-cost trainings and other resources as available locally. For more information about Paths to QUALITY you may visit <http://www.in.gov/fssa/carefinder/2554.htm> or call IACCRR at 1-800-511-1144.

5) *Will the funds be disbursed in year one or carried into multiple years?*

How the funds are disbursed depends entirely on the number of applications received and approved, as well as the total amount of matching funds raised. Therefore, it is possible that the total funding for the Pilot Program will not be expended in year one.

6) *Can funders restrict the use of their grants to the program?*

Because the Pilot Program provides grants to eligible families instead of providers, grants to the Pilot Program may not be restricted to an individual family or provider. However, FSSA will permit funders to restrict funding to eligible children within a specific county.

7) *Will there be future funding beyond first year if providers make investment in new capacity or will stream end after year one?*

Please see the answer to Section I, Question 1.

8) *Can matching funds be given to a for-profit provider?*

Not exactly. The funds are provided as grants to eligible children, who must be members of a household with an annual income that does not exceed one hundred twenty-seven percent (127%) of the federal poverty level, to be used solely for high quality early education services. Under HEA 1004, the eligible child is free to use those funds to purchase services from any eligible provider, including those that are for-profit.

9) *How does this program relate to the Early Education Matching Grant?*

The Pilot Program and the Early Education Matching Grant (EEMG) are separate and distinct programs with discrete sources of funding. The primary difference between the two programs is that Early Education Matching Grant funds are provided directly to providers as part of a competitive grant application process. Pilot Program funds are provided directly to eligible families.

The first competitive Request for Funds (RFF) process for the EEMG was completed this spring. Thirty early learning programs, representing 15 counties, were awarded grants to provide early education to almost 500 additional 4-year olds during the 2014-1015 school year. A second competitive RFF will be released in the Fall of 2014 to award a second round of funding to qualified early learning programs to serve 4- year olds in the 2015-2016 school year. Additional information and announcements related to the Early Education Matching Grant can be found at <http://www.in.gov/fssa/carefinder/4845.htm>.

V. Program Design

FSSA, with the assistance of the Center for Education and Career Innovation (CECI), the Indiana Department of Education (IDOE) and the Early Learning Advisory Committee (ELAC) are in the process of actively addressing the numerous requirements imposed by HEA 1004, including but not limited to, designing, approving, and implementing a new Kindergarten readiness assessment, developing and

implementing an outcomes-based accountability system, ensuring proper IT and staffing infrastructure are in place to implement the program, determining the eligibility requirements, the application process, and the selection process for awarding grants, the administration and reporting requirements for eligible providers and other design considerations necessary to ensure that the Pilot Program provides valid and useful data for the required longitudinal study.

While FSSA is not in a position to answer specific program design related questions at this time, we anticipate releasing more specific details about the Pilot Program in late July or early August of this year.